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Searching for a bottom-up approach and methodologies for developing foundations and principles of sound public administration

Bottom-up approaches and methodologies to develop foundations and principles of public administration: the example of criteria-based organizational assessment

Report of the Secretariat**

Executive summary

Historically, Governments have attempted to develop sound governance and public administration to support social, political and economic development. However, changing political and economic contexts have made it increasingly difficult to determine what constitutes the principles, foundations, quality and effectiveness of public administration. The present report presents some initial thoughts and recommendations about a bottom-up approach and methodology that can generate consensus on these principles and foundations. The report highlights the following points:

(a) There is agreement that effective governance and public administration are required to provide a conducive environment for sustainable development;

(b) A bottom-up approach and methodology are also required to ensure that citizens themselves have the last word on the underlying principles, foundations, quality and effectiveness of public administration;

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(c) Any assessment of public administration must be sufficiently flexible to account for countries' different stages of development, as well as differences in needs, resource availability, assigned missions and the levels of sophistication of the relationship between the administration and citizens;

(d) Regardless of the level of development or the assigned mission of the administration, certain underlying principles should underpin the assessment of public administration within the context of globalization and the emergence of democratic systems throughout the world. These principles must include transparency, accountability, simplicity, accessibility, participation, subsidiarity, effectiveness, efficiency, responsiveness and integration. The issue here is that most of these principles have been developed top-down. There is need to verify whether they constitute what citizens value most in their public administration;

(e) The search for a bottom-up approach and methodology for determining the principles, foundations, quality and effectiveness of administration should distil the varied experiences of many countries and regions of the world, taking advantage of decentralized governance structures and civil society organizations to reach the cross-section of the citizens, especially the poor and the disadvantaged groups.

After a brief review of various bottom-up approaches and methodologies, this report will present elements of the criteria-based approach in government including the case study of the Government Performance Project and its potential applicability in selected domains of public administration in the world. This constitutes one example considered in the ongoing discussion in the Department of Economic and Social Affairs of the United Nations Secretariat of various bottom-up approaches and methodologies for developing principles and foundations of public administration and governance designed to cope with new challenges and opportunities for people-centred development.

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Introduction

1. Over the past few decades, the principles and foundations of public administration have experienced a radical transformation, owing to two major changes in the world. First, democratic States now outnumber their non-democratic counterparts, establishing a significant precedent in world history. This global movement for democratic governance has been pursued not only as a value in and of itself, but also as a means to achieve participatory and sustainable development. The trend has also highlighted the need to foster greater interaction among three sets of actors in the process of governance: those from government organizations, the civil society and the private sector.

2. Second, the rapid pace of globalization has exerted new pressures on the public sector to increase its skills and capacity to deal with new challenges and opportunities, such as new information and communication technologies (ICT), the expansion of trade and investment, an increased focus on public goods such as the environment and human rights, and the proactive role of global institutions such as the World Trade Organization that affect development processes at the country level.

3. In combination, these two tendencies have produced the need to re-evaluate some of the traditional approaches used for evaluating public administration. This situation has led to a dilemma in which the increasing emphasis on and expectations for representative government are coupled with often struggling State capacity, and a widening disparity in terms of resources and ability to access services and representation. In view of the above, a growing world consensus has emerged that the principles and foundations of public administration and governance must reflect the new local, national and global contexts. These principles should include transparency and accountability, participation and pluralism, subsidiarity, efficiency and effectiveness, and equity and access to services. The challenge is to bridge wide gaps that exist between the theory and the practice of public administration.

4. Nations around the world recognize the need for effective governance, and public administration structures and processes by providing opportunities for citizen participation in local decision-making, ensuring accountability of local political leaders and government officials, and promoting a system of checks and balances among various levels of government. A lack of State capacity is now widely acknowledged as the source of many of the problems that developing countries face today. On one hand, a State capacity deficit can refer to poorly managed public institutions; inadequate public sector human capacities in terms of knowledge, skills, motivation and commitment; inability to collect and manage public financial resources; or a dearth of knowledge, innovation, and technology strategies. On the other, it also relates to the State's ability to create an enabling environment for private sector development and full participation of civil society in policy-making processes.

5. One of the most critical issues emerging from the series of United Nations conferences leading to the landmark Millennium Summit has been the central role of governance systems and institutions in promoting economic development, increasing the access to services of the vast majority of the poor, enforcing human rights legislation, enhancing the participation of women in the development process, and protecting the quality of the environment. States Members of the United Nations, bilateral and multilateral agencies, and civil society organizations are

increasingly focusing on the need to improve the quality and effectiveness of governance. This concern is especially strong among developing countries and those nations recovering from conflict or disaster whose institutions of governance and public administration are more particularly challenged by severe constraints and development needs.

6. One consequence of the global movement to promote people-centred development and democratization is the need to evolve bottom-up approaches and methodologies that will enable citizens to help determine the quality and effectiveness of their public administration systems. Bottom-up approaches have several advantages over traditional methodologies which have been increasingly recognized in recent years. On one hand, populations and community-based organizations often have a greater familiarity with and understanding of local needs, priorities and constraints that can affect the successful implementation of policy measures. On the other hand, organizations that are able to effectively incorporate citizen participation at all levels of the decision-making process often have an increased flexibility when it comes to adapting objectives and approaches in line with changing external circumstances. Through an increased adaptability in areas such as human resources management and intra-organizational strategic planning, this flexibility can act as a crucial advantage for public administration in times of significant change.

7. *Potential and limitations of key approaches.* There are many bottom-up approaches and methodologies that have the potential to positively impact public administration within the context of people-centred development. These include decentralization, the use of participatory mechanisms within effectively functioning institutions, and the introduction of civil society partnerships and community-based approaches.

8. Decentralized governance entails partnerships among entities of the central, subnational and local governments with devolution of functions and resources to local governments. It can provide opportunities for citizen participation in local decision-making, ensure the accountability of local political leaders and government officials, and promote a system of checks and balances among various levels of government. It also promotes the institutionalization of democratic culture and improves citizens' access to government-supported services. However, decentralization processes alone are not a panacea for people-centred development, owing to existing social and economic disparities and the often insufficient transfer of resources to the local level.

9. Effectively functioning institutions — parliaments, political parties, electoral management bodies, civil service, local government bodies — provide mechanisms through which citizens can articulate their views, participate in issues that affect them, and safeguard their interests. This process facilitates systemic change and political legitimacy. Again, however, the ability of these institutions to effectively respond to citizens' needs is constrained by contextual factors, such as poverty, ethnic conflicts, and social and economic disparities among various groups and/or regions within society.

10. Innovative partnerships can also work to strengthen the foundations of public administration and governance by empowering civil society and non-governmental organizations to mobilize communities, use their skills and capacities to provide services, promote the interests of the poor, and hold public officials accountable.

Civil society organizations can play an important role in the promotion of citizen participation in political and development processes. However, their effectiveness can also be constrained by a lack of accountability, or capacity, or any limits to their ability to impact formal governing institutions, such as local governments and parliaments.

11. Within a community-based organizations approach, citizens are directly engaged through community consultations, citizen's charters, and other mechanisms in articulating local and national interests, designing and evaluating local programmes, and ensuring that public officials are accountable. It is widely recognized that mechanisms to engage communities should operate within formal institutions of public administration and governance so as to promote continuity and sustainability.

12. However, public administration may not be universal in its effectiveness, responsiveness, quality or behaviour. National circumstances and constraints must be carefully considered, as well as the avenues through which the public service is likely to consider and respond to the needs of the citizenry and key stakeholders. Therefore, a fundamental question in the search for a bottom-up approach and methodology is how to address widely varying conditions in countries throughout the world when determining the principles and foundations of good public administration. Stated differently, any form of assessment must acknowledge that the nature, behaviour and effectiveness of public administration are highly contingent on the conditions and circumstances in which the latter operates. Different stages of development and the impact of cultural differences act to shape the nature, missions and performance of public administration systems.

13. Consequently, the principles and foundations of good public administration must derive from the cumulative experiences and insights at various levels of public administration in different countries at diverse stages of development. The implication is that the methodologies themselves will need to be decentralized, so that public administration research will be working at the national and community levels, before resulting information and data are analysed and collated at the international level. With the current belief in decentralization as one of the structural arrangements that facilitate the involvement of grass-roots communities in the management of public affairs, such bottom-up approaches and methodologies could successfully highlight the opinions and expectations of the citizens on public administration. The data collection in this regard could therefore benefit from the framework of the existing national decentralized governance systems.

14. While the principles and foundations of public administration provide a useful guide for both Governments and citizens with respect to evaluating the quality of public administration, they must also be reflected in its effectiveness. Performance-related concerns have dominated the debate on public administration, especially in terms of effectiveness, efficiency and responsiveness to needs.

15. Based largely on the principles of private sector management, public sector organizations are being increasingly expected to be able to compete with public and private sector entities in terms of per unit cost of services, client orientation and the efficiency of resource use. One of the limitations of this approach for sound public administration is that profit maximization and efficiency of resource use are essential but not sufficient with respect to promoting and protecting public goods,

such as the environment. Public project evaluation must therefore follow parameters that account for externalities.

16. From the viewpoint of constituents, good public administration boils down to how effectively the government can deliver those services that respond to the most pressing needs of local populations. Within democratic settings, performance improvements are perceived as an appealing goal and have been the underlying objective of government reforms in most nations. They are readily understandable by citizens and elected officials and serve as a powerful rhetorical symbol. They suggest more attention to cost, reduced duplication and redundancy, the use of alternative service delivery, and improved transparency and accountability in government operations. The performance-oriented changes embodied in administrative reforms have nearly always been accompanied by budget cuts, downsizing and substantial reorganization of government structures and agencies.

17. However, performance is only one possible means of examining the effectiveness of government. The quality of the services provided by government, the extent to which they truly meet citizen needs and demands, the transparency with which they are funded and delivered, and the extent to which the government can be held accountable are all critical in a substantive assessment of good government. Because of this, citizen assessment and governmental transparency are increasingly considered primary components of effective assessment activities.

18. The ways in which citizens can participate in such assessments are multiple. Certainly, the most fundamental is becoming well informed about government and its activities. However, this can happen only with the explicit commitment of the government to conducting its affairs in an open, understandable and transparent way, by widely distributing budget and programme information, and by providing informational bulletins and newsletters, on the Web or elsewhere, that carefully describe government and its programmes in a language that citizens can understand. In such a setting, citizens can participate in assessments through advisory mechanisms, through formal surveys, through "on the spot" assessments as offered, for example, by the Citizen's Charters of the United Kingdom of Great Britain and Northern Ireland,[1] and through grass-roots participation in programme design and implementation.

19. Increasingly, it is believed that citizens can play a role in the design of assessment criteria, thus ensuring from the onset that the priorities of the people are directly addressed by the process and also that the completed assessment will have greater legitimacy. Citizens conduct the ultimate assessment, of course, through the electoral process. The whole issue of involving the citizens in the evaluation of the performance of public administration underpins the necessity to devise and sharpen bottom-up approaches and methodologies for determining its quality.

20. As citizens and reformers alike pursue good government, the importance of well-defined and well-functioning institutions of governance, as well as citizens' ability to understand them and hold them accountable, has become clearer. This implies that citizens need to understand the basic elements of government machinery. It also underlines the fact that information about key governmental programmes and activities must be communicated to citizens and other stakeholders

[1] See Arvind K. Sharma and Indu Sharma, *Inducing Client-Focus in Bureaucracy: The Citizen's Charters in India* (New Delhi, Kanishka, 2002).

in ways that improve understanding of how and why government operations and programmes look and operate the way they do, as well as understanding of their impact on daily life. Therefore, for Governments to be truly accountable in this setting, it is necessary that they conduct their affairs in a way that is amenable to assessment, that citizens have the opportunity to understand and participate in assessment processes, and that results be widely distributed. However, even in assessing the effectiveness of public administration, there are different strategies that can be applied.

I. Assessing government: alternative strategies

21. Several options are available to Governments and their partners when they consider governance assessment strategies. Use of criteria such as average cost and total number of services delivered formed the initial basis for performance measurement, as undertaken by traditional systems. Based on examining the outputs or results of policy measures, this approach was predominately focused on post-implementation criteria;[2] but as waves of crises engulfed many areas of the world, the harsh reality of many Governments' lacking the ability to implement programmes effectively became very clear. The first need was for Governments to develop capacity, that is to say, the ability "to design and implement appropriate public policies, administer resources equitably, transparently and efficiently, and respond efficaciously to the social welfare and economic claims of citizens".[3] In other words, Governments require the capability or capacity to effectively deliver services and to develop in ways that allow both markets and democracies to flourish.

22. In the ability of Governments to effectively plan and implement the policies that are necessary for good governance lies the first step towards broad capacity. If Governments and/or their stakeholders choose to pursue analysis of this capacity or its development, several sets of options or alternatives can be considered. Each of the options suggests careful tailoring to the needs of individual nations. Each also offers different possibilities for incorporating citizen participation into the process and for enhancing transparency. These are significant reasons for evolving bottom-up approaches and methodologies for assessing and evaluating performance.

23. The alternatives offer a choice between "standardized principles of administration" and "criteria-based" approaches. The latter uses criteria that are similar across nations but have the flexibility to account for diverse national contexts and circumstances. The standardized principles approach adopts a common set of principles believed to be fundamental to the development of effective public administration across national Governments and national contexts. One of the most straightforward statements of principles reflects the long-held tradition that good governance is built upon a public administration system and structure that pursue efficiency, economy and effectiveness. All of these are clearly objectives of an effective system. In practice, however, they can often involve trade-offs; moreover, they do not easily lend themselves to objective assessment.

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[2] See Harry P. Hatry and Joseph S. Wholey, *Performance Measurement: Getting Results* (Washington, D.C., Urban Institute Press, 1999).

[3] See Merilee S. Grindle, ed., *Getting Good Government: Capacity Building in the Public Sectors of Developing Countries* (Boston, Massachusetts, Harvard University Press, 1997).

24. Such principles are often supplemented with others that are more fundamental. Transparency is a leading example and one that is indeed embraced by effective Governments around the world. Another is participation of interested citizens and parties in policy choice and assessment. Still another invokes the presence of anti-corruption measures.

25. Among other possible standardized principles are concepts of a unified, standardized civil service system based on principles of merit. This was, in fact, the model found in many post-colonial nations; its core precepts continue to form the basis of ideas about systems considered efficient and resistant to corruption. These principles have been challenged by the reform movements widely characterized as representing "new public management", which advocate core principles of flexibility and performance, as well as efficiency.[4] To a lesser extent, the principles are challenged by the now central role in governance played by civil society organizations and other international partners. This challenge arises from the fact that, while standardized bureaucracies possess the virtues of stability and predictability, they do so primarily because they are able to deflect external influence and authority-sharing to a substantial degree. Such sharing is central to effective partnerships, now a hallmark of most modern Governments.

26. Many of these new flexibilities are open to question and debate, but their base precepts do challenge concepts of core management standardization in rather dramatic ways. For example, in respect of hiring public employees, increased flexibility and discretion may improve the ability to hire quickly and to target the right person more effectively. However, use of the new flexibility may allow a manager to hire a friend, a relative or a political ally. A standardized merit system requires that all employees enter through the same procedures and receive an offer of employment based only on their talent, skills and knowledge. It is important to note that precisely how new flexibilities challenge more standardized practices is dependent upon the national contexts in which they might be applied.

II. Different starting points, different strategies

27. Nations of the world have chosen widely different political/governmental structures and systems, all of which reflect national culture, values and priorities. Differences between these systems reflect the evolution of the public sector and, to a large degree, each nation's potential for capacity-building and increasing citizen involvement in both capacity development and capacity assessment processes. The key to this difference in potential depends on the foundational presence of political development, elected and civic leadership, and national resources. Differences are also found in the administrative structures created by the government. Examples may be found in a number of administrative systems (budgeting, infrastructure management, information management), but it is human resource management systems, which provide the people for all government tasks and programmes, that offer a very clear illustration. Here, the basic model in place — or the place from which many Governments start — may well be patronage. Patronage systems — also referred to as spoils systems by many — link public employment to political, ethnic, tribal or personal ties. Patronage systems change dramatically as leadership

[4] See Christopher Pollitt and Geert Bouckaert, *Public Management Reform: A Comparative Analysis* (Oxford, United Kingdom, Oxford University Press, 2000).

and power shifts: in national crises, partisan differences may well be exemplified within government bureaucracies as well as in the larger society. The costs to Governments in terms of capacity and management are high. They include limited employee skills and commitment, a dominance of informal practices, minimal emphasis on effectiveness, and pervasive corruption.

28. Reforms to patronage systems most often produce bureaucratic merit systems. Here, the structures and the accompanying standardization work to ensure that admission to public employment is determined by skills and knowledge, rather than personal or partisan loyalties. These widespread systems, which are frequently the product of the colonial histories of many nations, develop with core values of merit and efficiency. However, they come at the cost of extensive reliance on rules as controls and a concomitant focus on process, rather than results or effectiveness. They also place enormous emphasis on the idea of organizational boundaries and on structuring relations with civic society according to the terms and conditions specified by the bureaucracy. The "calcification" of public bureaucracy, which is the frequent target of citizen dissatisfaction and distrust and which impedes effective government/citizen exchange, is one obvious outcome.

29. Still another reform option was noted earlier, namely, the creation of the more flexible nature of the management systems linked to "new public management" and "performance-based management". First adopted in nations such as Australia, New Zealand and other Westminster democracies, these systems are now found, at least in part, in many other nations. The systems prize discretion and flexibility, advocate relaxation of rules in favour of results, and are typified by contract agreements between top leaders of organizations and elected officials. There is some evidence of better performance in early adopters — all of whom created substantial structural reforms to serve as the foundation for more flexible management — but these reforms also involve a trade-off. For developing nations and those recovering from crisis, the nature of the trade-off is defined by the following question: Will new flexibilities created by reform be used to improve performance or will they be used for other purposes?

30. Thus, in creating their public management systems, Governments and their stakeholders and donors now choose from a "menu" that ranges from highly standardized to highly flexible. As a result, nations are at very different points in embracing or moving away from the standardized civil service model. Some have retained a centralized structure, albeit with clearly defined purposes and with a renewed emphasis on merit. Others have chosen a decentralized model, allowing each ministry or agency to tailor its systems to some extent. Still others have moved to a decentralized structure, but only within a clearly specified central strategic framework. This state of affairs, where Governments have made different choices and taken different paths, also poses an application problem for principles rigidly standardized across nations.

31. This is not to suggest that there is no role whatsoever for some core standardized principles. Some single administrative systems, notably budget and financial management systems, have been judged to be systems that lend themselves credibly to consensus on such principles and expectations. Sound systems that predict revenue accurately, identify and track necessary spending correctly, and provide transparent access to records and financial transactions are widely agreed to be desirable. However, even for financial systems, there is disagreement about other

attributes, such as the ability to provide a financial "cushion" with which to soften the impact of unexpected economic downturns or turbulence.[5]

III. Capacity assessment as a strategy

32. Standardized principles for analysis of development for governance capability and progress — the "one size fits all" approach — understandably encounters obstacles in a diverse world. The difficulty of arriving at standard principles for analysis of governance capabilities, however, does not mitigate the need for analytical tools of some sort. As nations emerge from crises and consider the demands and necessities of national rebuilding, the content of newly created or revitalized institutions is significant. Over time, the progress of those institutions in meeting the objectives of citizens, elected officials and other stakeholders becomes critical. In both cases, the presence of transparent guidelines and frameworks for analysis and assessment of the capacity of public administration is useful.

33. To achieve this purpose of assessing governance and public administration capacity, there is an alternative approach, namely, the use of criteria-based assessment. Criteria-based approaches share a common assumption: that organizations meeting key elements of critical criteria have the capacity to be effective and high-performing, even if no specific performance measures are analysed. The capacity of government relies to a large extent upon the configuration, content and value structure of its administrative systems, and it is central to the ability of governance structures to be sustained over time. Thus, capacity for performance becomes a critical variable intervening between the organization's systems and practices and eventual performance itself. It also signals the extent to which Governments will be able to effectively meet the expectations of citizens and other key stakeholders in a variety of policy areas. This idea of capacity as a platform for performance is central to the rationale for capacity assessment (although the term used here is capacity for performance, the criteria-based approach can be applied to other dimensions of performance, such as quality, as well). The use of criteria as tools for capacity assessment permits consideration of this concept in a practical way.

34. Criteria-based assessments are widely used in both public and private organizations. Criteria-based assessments are different from — and should not be confused with — best practice analysis. Best practice work prescribes specific solutions, actions and reforms, often derived from a small set of observations. Criteria-based assessments, in contrast, describe conditions or parameters against which potential performance and capacity can be gauged. Such assessments also allow for the consideration of specific settings and environmental conditions — for example, economic constraints. Well-recognized applications of criteria-based assessments exist in both the public and private sectors. In the United States of America, for example, public organizations are regularly assessed according to the Baldridge National Quality Program, a Total Quality Management (TQM) set of organizational criteria. Another variation on TQM is utilized by an increasing number of Next Steps agencies in the United Kingdom and other European public

[5] See Yilin Hou, Donald P. Moynihan and Patricia Wallace Ingraham, "Capacity, management and performance: exploring the links", *The American Review of Public Administration*, vol. 33, No. 3 (September 2003), pp. 295-315.

organizations. The European Foundation for Quality Management analyses organizations according to a list of weighted enablers and results. The enablers are leadership, people management, policy and strategy, resources and processes. The results are people satisfaction, customer satisfaction, impact on society, and business results. A more recent concept, the balanced scorecard, identifies performance according to the following perspectives: financial, internal business, innovation and learning, and customer perspective.[6] Each of these is based on broadly accepted descriptions of desirable conditions, against which the performance, capacity or behaviour of an entity may be examined. Criteria are created from experiential and expert analysis, as well as from examination of Governments or organizations judged to be highly effective over time. It is not assumed that there is only one path to achieving the conditions described by each criterion; rather, the assumption is that each Government or organization will pursue a strategy most in keeping with its own political and economic environment. In other words, an implicit part of the assessment concerns the extent to which the units analysed use the resources available to them.

35. A number of common characteristics are apparent among these approaches. All are built on a business-model approach to management rather than on one that is indigenous to the public sector. However, they can be adapted so as to incorporate criteria specifically derived from public sector characteristics. Further, such approaches enjoy continued demand from public sector practitioners seeking to gain a sense of how their organizations are functioning, as well as to learn from other Governments. Part of the reason for their popularity is the fact that, despite their private sector origins, each model considers more than bottom-line results. They also consider some form of management capacity. Criteria-based models have been utilized largely for individual organizational assessments or for some form of policy analysis or evaluation,[7] but not as a systematic mode of comparison across different Governments.

IV. The Case of the Government Performance Project

36. The Government Performance Project (GPP) of the United States provides an interesting example of a criteria-based approach in government. This six-year effort offers a criteria-based approach to organizational assessment designed specifically for the public sector. The Project has enabled analyses of one key element of effective public administration in United States State and local governments, namely, management capacity, that is to say, the capacity to effectively manage core administrative functions. For purposes of this discussion, State Governments are relevant, because in the United States they control some of the largest economies in the world and are granted substantial governmental responsibility by the United States federal system. The Project criteria were applied to all 50 States in two separate studies, undertaken in 1998 and 2000, to cities in 1999, and to counties in 2001. In a separate activity, the Federal Performance Project, the capacity of large federal agencies was analysed using the criteria.

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[6] See Robert S. Kaplan and David P. Norton, "Using the balanced scorecard as a strategic management system", *Harvard Business Review* (January-February 1996), pp. 75-85.

[7] See P. H. Rossi and H. E. Freeman, *Evaluation: A Systematic Approach*, 4th ed. (Newbury Park, California, Sage, 1989); and also David L. Weimer and Aidan R. Vining, *Policy Analysis: Concepts and Practice* (Englewood Cliffs, New Jersey, Prentice Hall, 1992).

37. Efforts to establish criteria necessarily mean developing sets of normative statements about administrative operation. The fact that public administration has not reached the point where generalizations on the nature of management are universally accepted makes any effort to develop criteria for administrative activities subject to disagreement. The Government Performance Project reaction to this difficulty was to draw on existing areas of consensus in the public management literature, as well as enlist the advice of a broad panel of experts for each management system. The panel included elected officials, public management experts, academics and administrators. The panel generated a widespread consensus over key areas of importance in public management, which was converted into formal criteria. The criteria were slightly modified over time based on feedback from Governments participating in the Project.

38. A criteria-based approach allows analysts to focus on data collection in terms of explicitly stated dimensions of quality, effectiveness and performance. How to collect necessary data depends partly on the nature of different criteria, however, as some criteria may be more amenable to certain types of data collection than others. For example, for issues where written surveys of government officials may be expected to elicit a subjective or "official" response, alternative means such as informal interviews, surveys of citizen groups, or document analysis may be more insightful. Ultimately, the Government Performance Project employed a range of data-collection and analysis techniques: in-depth written surveys for each management system, content analysis of government documents, interviews of government officials and stakeholders, and content analysis of interview transcripts and surveys. Such triangulation of different means of data collection contributed to both internal and construct validity.[8]

39. The Government Performance Project analysis proceeded from the following assumptions (inherent in the model depicted in the figure):

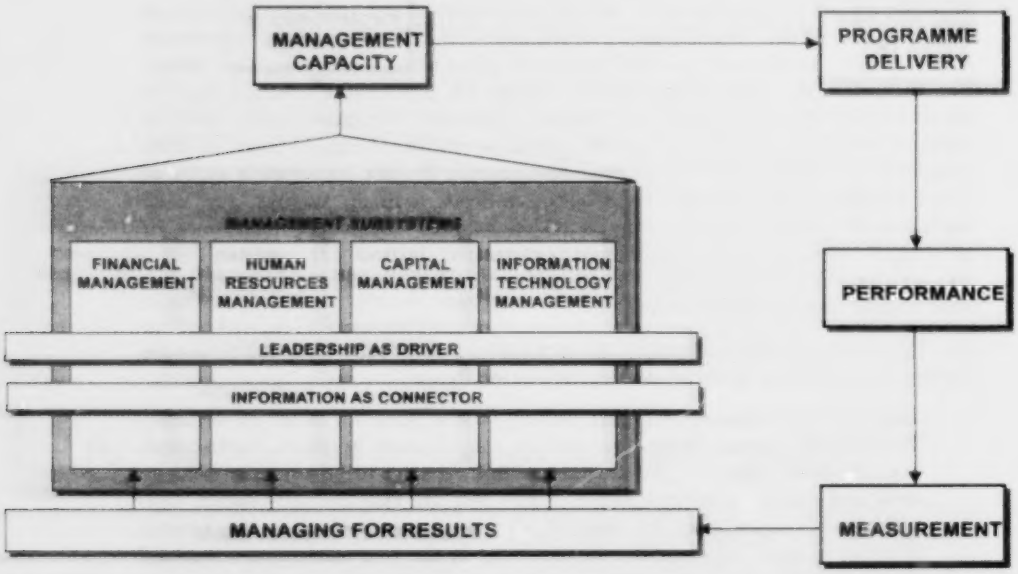
- Improved performance or higher quality service does not occur on demand. Performance is not likely to occur in the absence of more fundamental organizational capacity. The creation of this capacity in government is long-term and rooted in systems and activities that are institutionally based. One important component of this capacity is management, which in the Project analysis is based on strength and capability in the five management systems detailed in the figure.
- There will be variations in this capacity, across the systems, within one Government and across Governments.
- Critical attributes of these management systems can be described, measured and compared.
- It is fundamentally important for the process to be transparent, understandable and easily accessible to citizens.

40. There are important caveats. The Government Performance Project model did not measure performance per se. It analysed and measured only one component of capacity, namely, management systems. The argument was that, because these systems create the capacity to perform, they are a platform for performance, but

[8] Matthew B. Miles and Michael Huberman, *Qualitative Data Analysis: An Expanded Sourcebook*, 2nd ed. (Thousand Oaks, California, Sage, 1994).

their relative success or failure is not a complete measure of the overall effectiveness of government. In policy analytic terms, the Project deconstructed only one component of the middle of the performance equation. It did not measure policy outcomes. It is possible to construe the analysis as a measure of management performance, and some have done so.[9] Overall, however, the Project's underlying assumption was that management systems are important intervening variables in assessing government capacity for a variety of policy areas and play an important role in explaining one potential set of intervening causal linkages to different levels of performance and effectiveness. In terms of capacity-building and governance, they are platforms for longer-term effectiveness.

Model of administrative systems as potential capacity



41. The five management systems studied are core management functions found at all levels of government: financial management, human resources management, capital and infrastructure management, information technology management, and managing for results. Managing money, people and structural assets is a fundamental responsibility of Governments large and small. Information technology management, though a more recent addition to managerial activities, is now crucial to effective planning, evaluation and decision-making. Moreover, at a time when

[9] See Saundra K. Schneider and Jerrell Coggburn, "The quality of management and government performance: an empirical analysis of the American States", *Public Administration Review*, vol. 63, No. 2 (March/April 2003), pp. 206-213; and also Amy Kneedler Donahue, Sally Coleman Selden and Patricia W. Ingraham, "Measuring government management capacity: a comparative analysis of city human resources management systems", *Journal of Public Administration Research and Theory*, vol. 10, No. 2 (1 April 2000), pp. 381-411.

performance-based government is increasingly the norm, managing for results systems are becoming critical links between resources and results. The systems were chosen after extensive consultations with government managers, with academics specializing in public management, and with other experts in the field. These generic management systems appear in virtually all large-scale administrations and act as enablers with respect to policy implementation. Each management system was assigned its own set of criteria. In addition, consideration was given to systems' integration and leadership. Integration is the degree to which the different management systems are connected, are coherent with one another and are contributing to common goals. Leadership is assumed to facilitate performance by offering a vision for management, by supporting system improvement and integration, and by motivating relevant actors to act for a common purpose. Capacity-building leadership is discussed in more detail below.

42. There are also some notable omissions from the analysis. It was determined earlier on that the Government Performance Project analysis would not focus on "who did the best with the most resources". In other words, the focus was not on how the richest Governments allocated and utilized their money, but rather on how well Governments performed with the resources they had available. The studies revealed wide variation in this regard. Indeed, some Governments were not concerned with any systems other than financial management. One official, speaking of managing for results, observed that "when times were good, nobody cared, and when times were bad, it didn't matter anyway".

43. Politics and the political setting of the management systems were also not a specific focus of the analysis, but of course they mattered everywhere. The elected officials who received the Government Performance Project final report were often not the officials who had been present when the analysis was conducted, for example. The politics and political climate of some States, cities and counties explained a good part of the highly unionized structures within which management systems — notably human resource management systems — operated.

44. The omission of specifically political analysis was not intended to suggest that politics does not matter to management. It does. The analysis was intended, more simply, to focus on management systems across Governments, but not to involve or describe the sometimes controversial political environments in which they existed. Both are important subjects; but the Government Performance Project was not intended to be a political tool. Assessing politics was beyond the scope and resources of the analysis.

45. For some of the same reasons, the analysis did not specifically examine leadership. In a public setting, leadership necessarily blends political leadership and political accountability with the leadership provided by the more permanent career service. Studying leadership is often interpreted as an intensely political activity, but it is also difficult because of the blending of leadership roles and responsibilities. Again, in the interest of retaining a focus on management and on working within resource and time limitations, a specific focus on leadership was therefore not a part of the Government Performance Project. Nonetheless, the quality of leadership proved to be an important factor in determining differences between high-capacity Governments and those in which capacity was much lower. The nature of the leadership thus identified was that demonstrated by a leader or team that set longer-term priorities, reinforced and safeguarded strategic priorities, and understood

public organizations well enough to chart a meaningful implementation course. The Project analysts termed this kind of leadership "integrative leadership", implying that it was longer-term and that it spanned programme and policy and political and career leaders.

V. The process

46. There are several distinct steps in the criteria-based assessment process, although some can occur concurrently. First, an important caveat is in order: although the process can be implemented by external observers, it is most effective when critical groups of citizens, stakeholders and other interested parties outside of the government are involved. This can be achieved in different ways and at different steps of the process, but it is fundamental to the quality of the assessment.

A. Step one: choosing the target of the assessment

47. Government practices, policies, and programmes offer a vast array of potential targets for assessment. If the assessment is to be effective, however, it must be limited so that appropriate and complete information can be gathered and appropriate participation ensured. The Government Performance Project focused on management systems. There are many other potential targets — such as methods of citizen involvement in policy design — that could be assessed.

B. Step two: choice and design of criteria

48. The fact that decisions about which criteria will be included in the analysis may well be one of the most difficult parts of the process demonstrates why wide participation in the activity is critical. Citizen participation and inputs can play a valuable role in encouraging programme and departmental objectives to incorporate and complement popular needs. Different groups in society will assess government effectiveness from different perspectives, some of which may be contradictory. A good design process will therefore select criteria that reflect more than one perspective and that permit — or force — the assessing groups to consider the information gathered in a balanced way. For the Government Performance Project, the design process was over one year in length.

C. Step three: deciding which information is necessary and determining how to obtain it

49. Some sources of information were obvious; in other cases, the combination of several interim sources was required in order to arrive at a more complete view of the criteria. Further, many Governments sought to collect data that were essentially not retrievable. Some Governments chose not to provide information to the Government Performance Project. In those cases, it was necessary to rely heavily on alternative sources, such as citizen groups and "good government" organizations. Data gathering, too, is lengthy — having required approximately nine months in the case of the Project. Because competent and comprehensive reporting of information about government activities is basic to accountability, some important lessons can

be learned in this early stage of the process. Governments that do not have the necessary information, or that refuse to release it, are not likely to be accountable ones.

D. Step four: data validation and analysis

50. Information gathered by the assessment instruments — extensive surveys of government organizations and interviews with citizen groups and other stakeholders — needs to be validated by cross-checking with other documents and other sources. Another time-consuming component, careful validation assures the accountability of the assessment process itself. Analysis techniques may not be the same for all criteria components, as some pieces of information are more straightforward than others. In the Government Performance Project, for example, while it was very difficult to assess the actual extent of information technology use by government employees, it was relatively easy to determine actual costs of the systems being analysed.

E. Step five: compiling the information into useful reports; disseminating the reports

51. If the criteria-based assessment process is to be effective, the extensive amounts of information collected must be distilled into reports that are understandable and accessible. Again, to use the Government Performance Project as an example, the analytic and writing teams comprised academics and journalists, the latter having been engaged because of their ability to convey complicated information in easily accessible terms. The findings were made available to citizens and other interested parties in published form (short summaries in a widely distributed magazine about government, and national news dailies) and on several web sites devoted to the project. This wide dissemination, in order to inform citizens about the actual operations of government and to relate those operations to the difference that government made on a daily basis, was a primary objective of the Project.

VI. Lessons from criteria-based assessment activity

52. The Government Performance Project findings were instructive in identifying how Governments organize the basic management systems central to good governance and public administration. As such, they are useful in considering other dimensions of capacity development and assessment. In the area of managing for results, for instance, it became clear that while most Governments produced voluminous amounts of performance information, most struggled to put that information to use.[10] Analysis of the human resources function documented increased decentralization, particularly in hiring, recruitment, and performance appraisal, but also the fact that Governments had tried different systems and management strategies in their pursuit of effectiveness. Some human resources

[10] See Patricia W. Ingraham and Donald P. Moynihan, "Beyond measurement: measuring for results in State Government", in *Task Force on Performance Management and Measurement*, R. Nathan and D. Forsythe, eds. (New York, New York, Rockefeller Institute, 2001).

management systems, for example, had moved from being very decentralized with no central guidance or information collection in the first year of analysis, to having more limited decentralization within a central guiding framework in the third year. Applying criteria to the same unit of analysis over time enabled evaluations of how management practices were changing. Comparisons between the first and second analysis of State Government in the United States revealed progress in some areas: increased workforce planning, greater use of strategic planning and performance measurement, and more attention to information technology. Information technology was at once the system in which State Governments made the most progress from year one to year three of the Project analysis and the system that continued to give most Governments serious problems.

53. The Government Performance Project analyses also revealed, however, that Governments varied markedly in the extent to which they valued one management system over another, in terms of the extent to which they invested resources in the various systems, and the extent to which they considered the management systems to be useful policy tools for achieving other ends. In terms of broader effectiveness and quality issues, this finding was very important. For example, although budgeting systems were nearly universally considered to be of the highest importance, Governments differed in their ability to use budgetary tools to predict revenues accurately. They also differed markedly in the extent to which and in the ways in which they shared budget information with citizens and other critical stakeholders. Some Governments posted budgetary information and budget guidelines on the Web, inviting continuous citizen comment and feedback. Others placed one copy of the budget in a public library and considered that their public information duty had been thereby fulfilled.

54. It should also be noted that criteria-based systems such as the Government Performance Project do not assume that spending more money on systems necessarily improves their content and capacity-building performance. To the contrary, criteria-based assessment examines capacity from the perspective of whatever context and set of resources exist and asks, given a particular set of circumstances, Which choices and objectives did the government pursue and did those choices contribute to or constrain longer-term capacity?

VII. Criteria-based assessment in other national settings

55. The model and the findings described above are based on the experience and assumptions of one nation. They should not be transported wholesale to other national settings. Nonetheless, it is worth considering which of the components of the model — and which elements of those components — might be relevant in other contexts. As noted earlier, the relevance of the elements can be assessed only within the environment and structure of different Governments. One of these contextual dimensions is political. The nature of the political system in which the Government operates is critical. Another contextual dimension is economic and concerns the resources that the nation has available and to what extent it has the ability to direct them towards capacity-building. Another dimension is linked to citizenship and considers the extent to which the Government relates to its citizens and how it attempts to inform them and involve them in policy debates. Administrative and management systems can be assessed only when such critical elements of the national context are taken into account.

56. However, experience suggests that some components of the administrative capacity-building model can move forward for broader consideration in a comparative perspective. In discussions involving government officials and students from China, India and Thailand, for example, budget and financial management systems were nominated as candidates for comparative criteria development and the centrality of those systems for effective governance was emphasized. Human resources management systems must also be candidates for early consideration, because they are fundamental to the Governments' ability to hire, develop and retain the quality workforce necessary for operation of all other management systems. Criteria for assessing the ability of Governments to create and sustain that human resources management capacity can also address the conditions for cultivating effective human resources, notably the development of a competency framework for core professional groups, the design of effective capacity development strategies, and the institutionalization of effective human resources planning.

57. In addition to the idea of the potential transferability of specific criteria, that of transferring the tools and concepts developed in criteria-based assessment may also be considered. One such tool is based on the idea that capacity and performance are distinct elements and can be separately perceived in terms of the following questions:

- How well are Governments performing?
- Can fundamental performance information translate into broader information about quality, effectiveness and transparency?
- How well organized and developed are public administration systems?
- How can the capacity of these systems be improved?
- What are the priorities?

58. Once these questions are posed, clear criteria by which to assess each management system can be developed and further specified within each national context. The outcomes of such assessments can be combined with other assessments and strategic perspectives to gain a better idea of how multiple capacities are likely to contribute to or detract from the longer-term efforts of the government to create and administer an effective system of governance and public administration. Furthermore, the criteria can provide guideposts on the path of assessing progress towards governance and public administration objectives. Finally, it is possible to assess the ability of the government itself to develop capacity and the authority appropriate to the development and sustenance of the stability that is critical to its ability to survive and prosper.

59. The transparency exhibited by criteria that are clearly stated and broadly understood enhances the ability of citizens and other stakeholders to better understand the government that exists to serve them, not only in terms of the issues and problems that the government confronts, but also in terms of the extent to which the government has developed the will, the capability and the capacity to address those issues and problems. Links in the effective administration, effective governance and effective participation cycle — so critical to good government — are promoted in important ways.

VIII. Conclusion and recommendations

60. **In order to continually promote improvements in public administration, citizens must be empowered to determine its principles, foundations, quality and effectiveness. The changing socio-political and economic context has heightened the need to place additional emphasis on bottom-up approaches and methodologies that can ensure this participation at all stages of policy-making.**

61. **While many alternative approaches and methodologies are available, the criteria-based assessment process presented in this report represents a potentially adaptive solution. Its five distinct steps could be adopted, modified in content, and applied to a wide variety of circumstances. Emphasis should be placed on the involvement of critical groups of citizens, governance key players, and stakeholders outside Governments. In particular, care should be taken to utilize decentralized governance structures in different countries and regions of the world in order to reach a large number of citizens and obtain their opinions and inputs regarding what constitutes sound public administration. The net effect of this strategy would be to increase the legitimacy of the foundations, principles, quality parameters and performance criteria of public administration.**

62. **Therefore, criteria-based assessment shows potential as one alternative, as long as the views of citizens and community groups are incorporated throughout the assessment process, including during the determination of the assessment criteria. The application of bottom-up approaches and methodologies must incorporate a significant degree of flexibility in order to account for substantial differences across countries and regions. A "one size fits all" approach is inadequate in today's world and simply does not account for different starting points, missions and performance goals. Criteria-based assessment in organizations can address these issues through a design process that incorporates multiple perspectives and incorporates views of citizens, especially members of the disadvantaged groups.**

63. **Criteria-based assessment in organizations — as shown in the case study of the Government Performance Project — offers one example of discussion and debate about various bottom-up approaches and methodologies with respect to developing foundations and principles of public administration and governance.**

64. **It is recommended that the Committee of Experts on Public Administration, building upon this initial analysis of our approach, and supplementing it with its own perspectives, develop its own methodology for establishing the principles and foundations of public administration.**